Item 1008-D

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97TH CONGRESS, 1st Session } SENATE { EXECUTIVE REPT. No. 42

COMPLETED ORIGINAL

PROTOCOLS TO THE WHEAT AGREEMENT

DECEMBER 10 (legislative day, NOVEMBER 30), 1981.—Ordered to be printed

Mr. PERCY, from the Committee on Foreign Relations, submitted the following

REPORT

[To accompany Treaty Doc. 97-9]

The Committee on Foreign Relations, to which was referred Two Protocols for the Extension of the International Wheat Agreement, 1971, signed on behalf of the United States on May 8, 1981, having considered the same, reports favorably thereon without reservation and recommends that the Senate give its advice and consent to ratification thereof.

PURPOSE

These protocols would extend for two additional years the Wheat Trade Convention and the companion Food Aid Convention which together constitute the current International Wheat Agreement.

BACKGROUND

The United States has participated in a series of international wheat agreements since 1949. In 1971, the United States joined in the negotiation and ratification of a Wheat Trade Convention and a companion Food Aid Convention. Although both conventions were originally negotiated as three-year agreements, by 1980 they had been extended four times by protocols. In 1980, a new Food Aid Convention was negotiated and the Wheat Trade Convention was extended for the fifth time. The Executive Branch is now requesting Senate advice and consent to extend both agreements by two additional years, with no changes in the structure of either agreement.

MAJOR PROVISIONS

The sixth extension of the WTC, like the five previous extensions, maintains the framework for international cooperation in wheat matters. It will authorize the International Wheat Council to continue to collect, analyze, and disseminate data on the international wheat situ-

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ation, with particular reference to supply, demand, trade, and prices. The International Wheat Council, which meets semi-annually, provides a unique and valuable forum for international discussions to promote trade in wheat and wheat products and to resolve problems in a cooperative manner.

Effective July 1, 1980, the original Food Aid Convention, 1971, was replaced by the FAC, 1980. This first extension maintains the parties' present commitments to provide minimum annual quantities of cereals food aid to needy developing countries. In the case of the United States, this commitment amounts to 4,470,000 metric tons, an amount well within our currently authorized food aid programs under Public Law 480, the Agricultural Trade Development and Assistance Act of 1954, as amended. The objective of this Convention is to secure, through a joint effort by the international community, achievement of the 1974 World Food Conference target of at least 10 million tons of cereals aid annually to developing countries.

COMMITTEE ACTION

The Committee held a hearing, chaired by Senator Pressler, on November 24, 1981, to hear from administration and public witnesses on the extension of the International Wheat Agreement. No opposition was heard to either protocol. The Committee voted unanimously to report them favorably to the Senate on December 8, 1981, by a voice vote.

ENTRY INTO FORCE

Both Protocols shall come into force for the United States upon the deposit of the instruments of ratification by this country. They shall remain in force until and including June 30, 1983.

TEXT OF THE RESOLUTION OF RATIFICATION

Resolved, (*two-thirds of the Senators present concurring therein*), That the Senate advise and consent to the ratification of Two Protocols for the Extension of the International Wheat Agreement, 1971, signed on behalf of the United States on May 8, 1981.

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